



OUT IN UNbound

a study on mobility
and the modern
distribution manager

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How effective are your distribution managers?

Overseeing employee performance on the floor while managing the operation is a careful balancing act for warehouse leadership. These are responsibilities that inherently require real-time access to information while interacting with employees. Yet, obtaining this information often keeps managers bound to their desks and away from the environment in which they're most effective.

We developed this study to help you delve further.

In the warehouse—where mobile technologies are as fundamental a part of the employee toolkit as gloves and steel-toed shoes—how mobile are managers today? And could they become more effective if given better mobile tools to manage people and work?

We asked executives and managers in supply chain and related IT divisions how mobile technology could impact the performance of warehouse leadership. Our survey pool represented a wide range of industries, including 3PLs, manufacturers, wholesalers and retailers—many with global distribution operations.

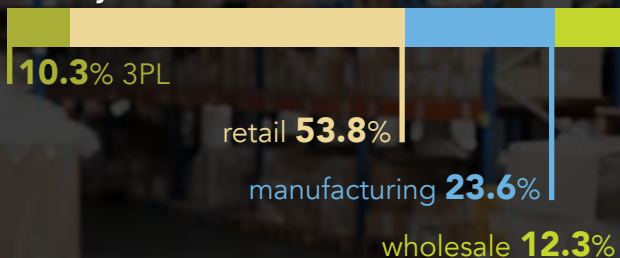
We asked questions such as:

- Do your distribution managers use mobile devices on the DC floor today?
- What activities currently take up the majority of your supervisors' time?
- What capabilities would be most desired in a mobile app designed for managers?

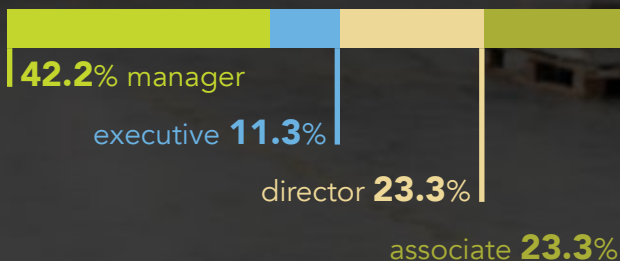
The answers may surprise you.

Here's who we spoke to.

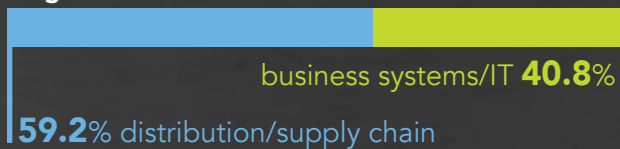
Industry



Job Title



Organizational Function



Managing people + work: there's a catch.

The pressure is on. The fast pace of a DC, the complexities of new fulfillment formats, dynamic customer requirements, seasonal labor surges—distribution managers have a full plate.

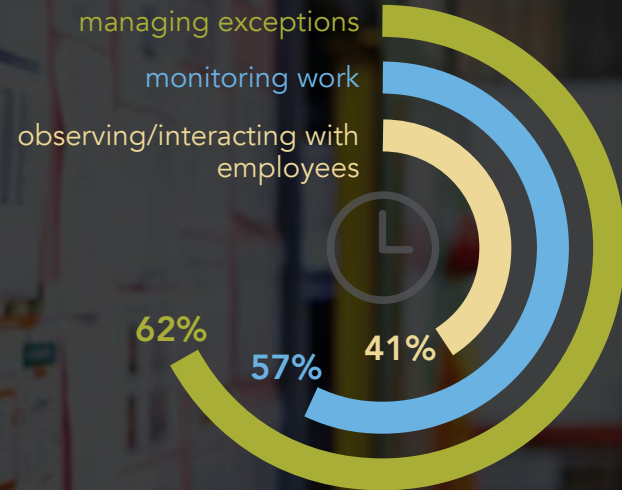
Warehouse leadership must be more effective than ever before to drive workforce productivity and warehouse throughput. Efforts to meet organizational and customer KPIs while overseeing workforce performance calls for a hands-on approach.

And yet, when on the warehouse floor, managers often have limited access to the real-time operational data that resides in a warehouse management (WMS) or labor management system (LMS). The printed reports

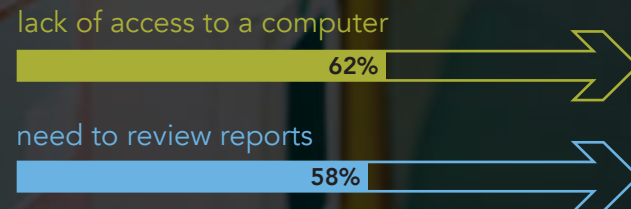
and bulletin boards they rely on when on the floor are often hours-old from the start of the shift; up-to-date information is only available via a workstation or at their desks. This is counterproductive in the two key areas where managers should be focused:

- **People:** coaching and managing the performance of individual workers for productivity and best use of resources
- **Work:** monitoring outstanding tasks, managing and making operational adjustments to reduce exception-driven risk

Where do your managers spend most of their time?



And what keeps them away from the warehouse floor?



What drives employee engagement?

Mobile solutions enable more information-rich interactions with employees. A global survey by Harvard Business Review found that the ability to show employees how they impact the business makes a big difference in employee performance, morale and retention. HBR ranked several key factors to improving employee engagement:

72%

recognition given for high performers

70%

individuals have a clear understanding of how their job contributes to strategy

70%

senior leadership continually updates and/or communicates strategy

69%

Business goals communicated company-wide and understood

67%

Individual staff goals aligned with corporate goals

Source: Harvard Business Review Analytic Services, "The Impact of Employee Engagement on Performance," 2013

And engagement drives results. In addition to general management practices found across industries, such as continuous improvement and quality programs, information published by the Warehousing Education and Research Council (WERC) recognizes these activities to improve warehouse productivity and build employee engagement:

- **Baselines:** establish baseline performance goals
- **Context:** provide enough context to associates
- **Visual management:** show operational metrics
- **Cross-training:** enable more efficient use of staff across multiple tasks, facilitate promotions
- **Set goals, celebrate achievements:** while teams improve productivity, the ability to focus on the individual is more powerful

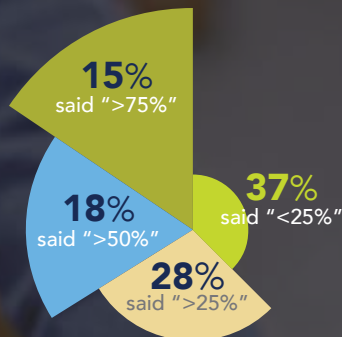
A 2014 study of more than 250 logistics and supply chain managers by Peerless Research Group on behalf of Logistics Management magazine found that managing an efficient warehouse workforce will only become more critical as organizations grapple with gauging individual worker productivity and how one worker compares to another. Further, these respondents said that identifying and improving productivity gaps as well as refining real-time labor productivity and visibility were the top two workforce management issues they would seek to improve within the next 24 months.

Sources: "Maximizing Workforce Productivity," WERC Sheet September/October 2013 newsletter by the Warehousing Education and Research Council; "Labor Management Strategies in the Warehouse," Peerless Research Group, August 2014

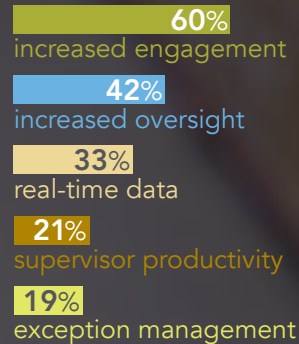
Adding mobile to the mix.

Today's DC environment demands quick access to information, not only for sharing, verifying and altering order fulfillment tasks and other time-sensitive operational data, but also for driving engagement and productivity with warehouse associates *where they work* (rather than at shift meetings or performance reviews).

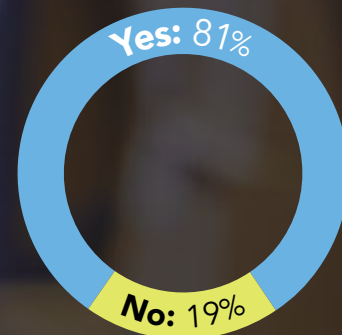
How much could a mobile solution increase manager floor time?



What are the top benefits of providing managers with mobile tools?



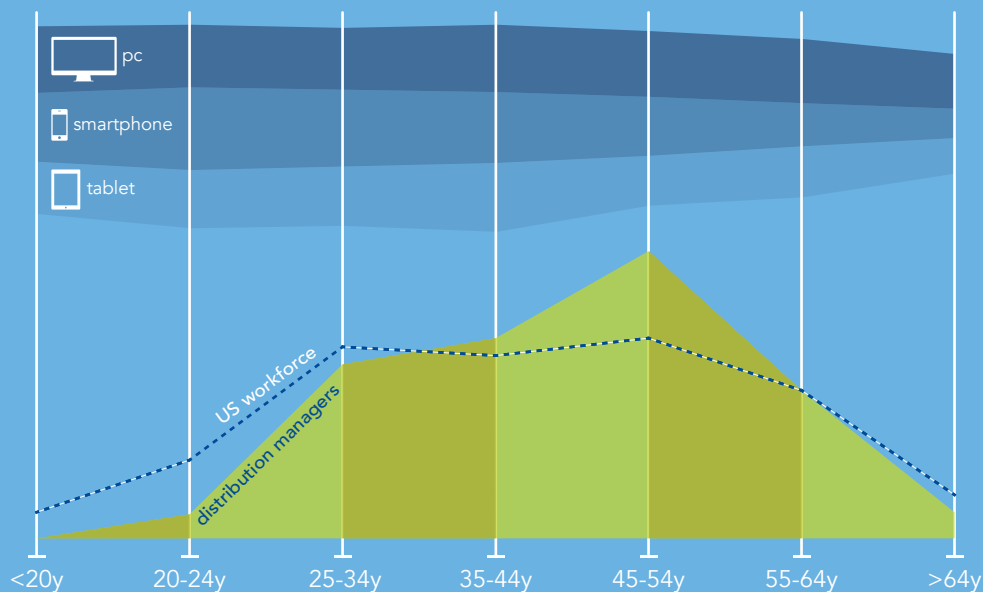
Do you currently use or have plans to deploy mobile solutions for managers?



A rising tide lifts all managers.

This broad acceptance of the benefits of mobility is a side effect of the astonishing growth in the consumer mobile device market.

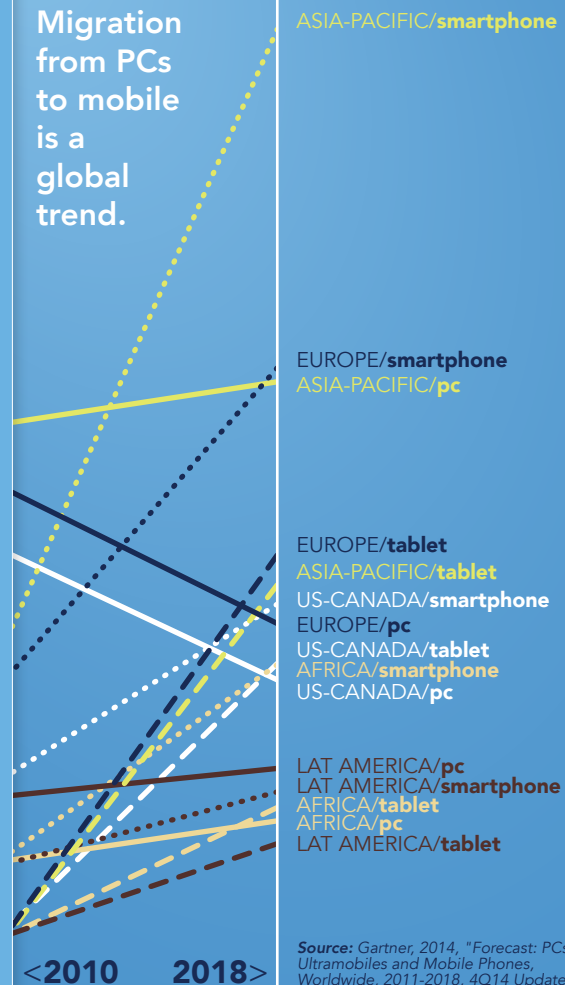
Where early adopters of mobile technology have historically skewed younger, studies have shown significant acceptance among the age groups that make up the majority of distribution managers, as illustrated below.



Adoption of mobile devices is significant across all age groups.

Sources: Pew Research Center, 2014, "January 2014 – E-reading and Gadgets Omnibus;" Bureau of Labor Statistics, 2013, "Employed persons by detailed occupation and age"

Migration from PCs to mobile is a global trend.



Source: Gartner, 2014, "Forecast: PCs, Ultramobiles and Mobile Phones, Worldwide, 2011-2018, 4Q14 Update"

What's on the distribution manager's mobile wishlist?

While employee oversight was a key consideration, our survey respondents saw the ability to manage work—not just being able to view real-time data, but affect change in the flow of tasks and implement decisions—as equally critical in a mobile app developed for the distribution manager. Introducing mobile work management capability opens up a variety of possibilities in how managers at all levels can better be notified of, assess and redirect activity in the warehouse.

In this context, **passive** and **active** capabilities are useful categories in analyzing what managers can do with ready access to work management.

Passive

Historically, LMS solutions have been used in passive contexts, wherein data is viewed and parsed before being used as the basis of decision-making for people managers. Further, WMS information used by managers on the floor is typically found on printed operational reports—such as task and wave reports—that are also passive in nature. In these cases, passive capabilities are only valuable if they are presented in a timely, actionable manner. Using mobile devices in passive contexts is a significant, yet simple way to improve the relevance and accuracy of information at a manager's fingertips.

Active

On the other hand, active capabilities allow managers to enact change via a mobile interface. These types of functions are potentially game-changing, as they allow managers to update information while an operational change is being made, and potentially reverse changes quickly to avoid work stoppages or process repercussions. Examples of active capabilities include task reprioritization, release and reassignment. Outbound tasks in particular have the potential to benefit the most due to their high complexity and rapid pace.

What are the most desired functions in a mobile app?

85%
✓ employee
productivity

85%
✓ work
management

66%
✓ exception
management

49%
✓ labor
requirements

What are the benefits of having configurable access to both passive and active capabilities?

"A single view of both work and productivity on the floor, where supervisors can correct actions."

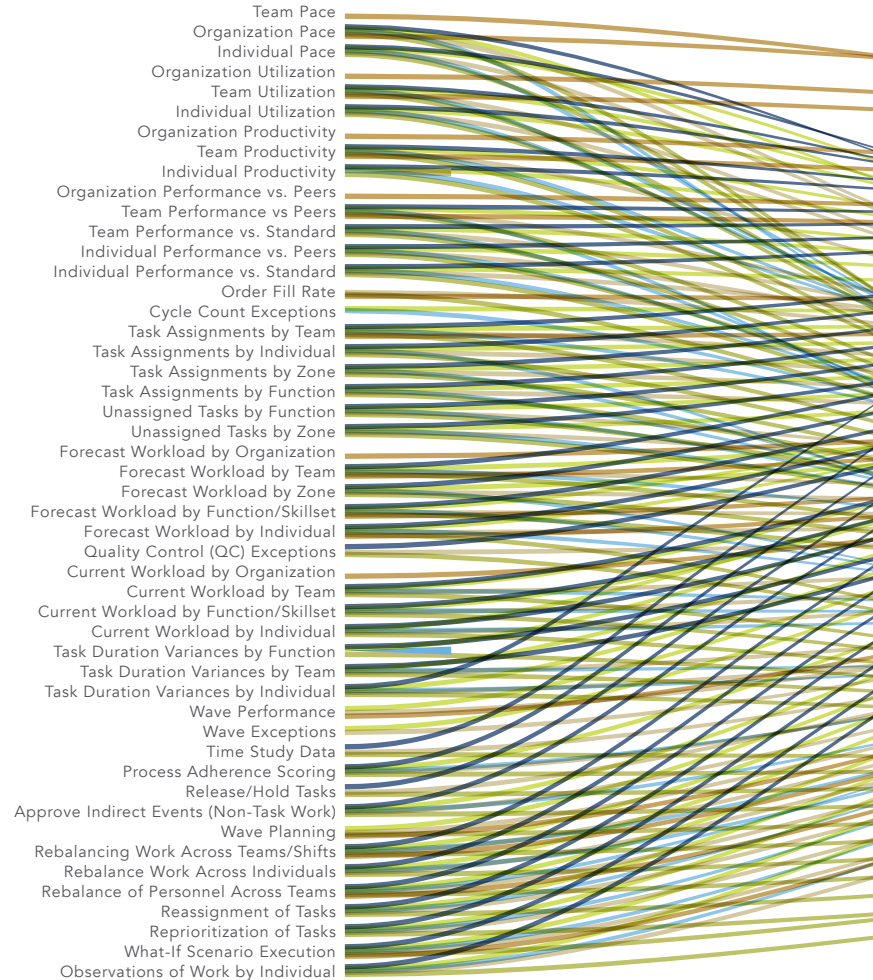
"The ability to provide instant feedback to employees about performance and exceptions."

"Supervisor productivity, increased throughput, better service."

"Better workload leveling (where to shift team members); better understanding of carton flow."

Let's walk the floor.

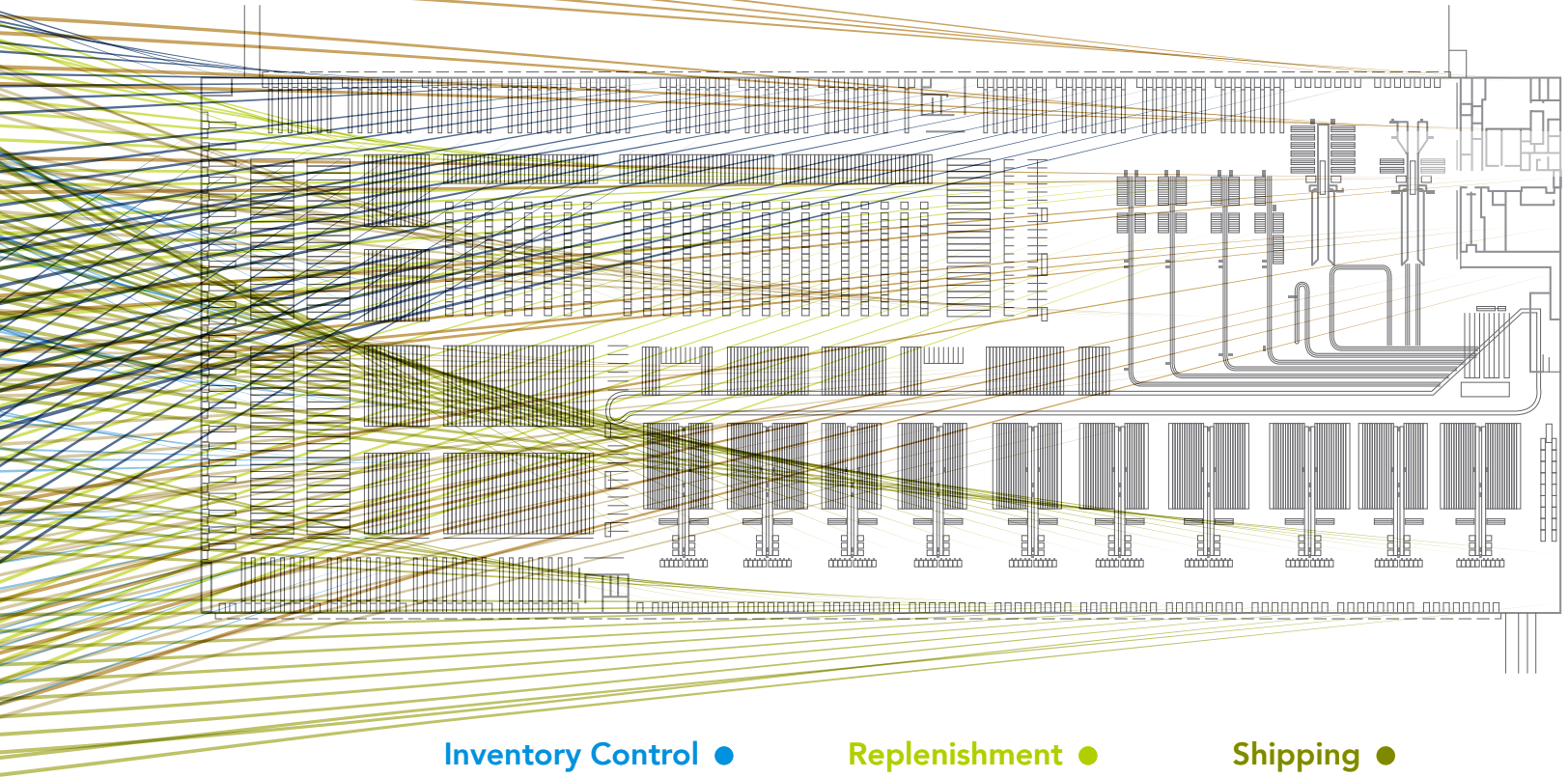
This diagram helps illustrate a sampling of interactions and real-time visibility made possible with the right mobile capabilities.



Receiving ●

Pick/Pack ●

Conference Room ●



Something for everyone. At every rung.

Beyond passive and active capabilities, the benefits of a mobile solution are extended further if it can provide value for every level of management in the distribution center. This requires access to information along two axes: varying **depth of detail** and **breadth of information**.

This diagram illustrates the overlap of requirements when these two axes of detail and breadth of information are enabled via a mobile solution.

Detail. While a first-line supervisor may need to see hour-by-hour breakdown of an employee's activity, a shift manager would require an employee's performance over a longer period of time. An area manager or more senior leader may need to see this same information rolled up at a higher level. The ability to quickly traverse multiple degrees of detail allows for greater flexibility of use, wider adoption across the organization and bigger benefits.

Breadth. The convergence of data points across different contexts in the warehouse opens up opportunities for new insight. While LMS and WMS solutions have long been integrated, seeing data about work and the workforce side-by-side has been relegated to static reports run at long intervals. Mobile, however, facilitates greater context by being always available and always connected.



DC General Manager



Senior Manager



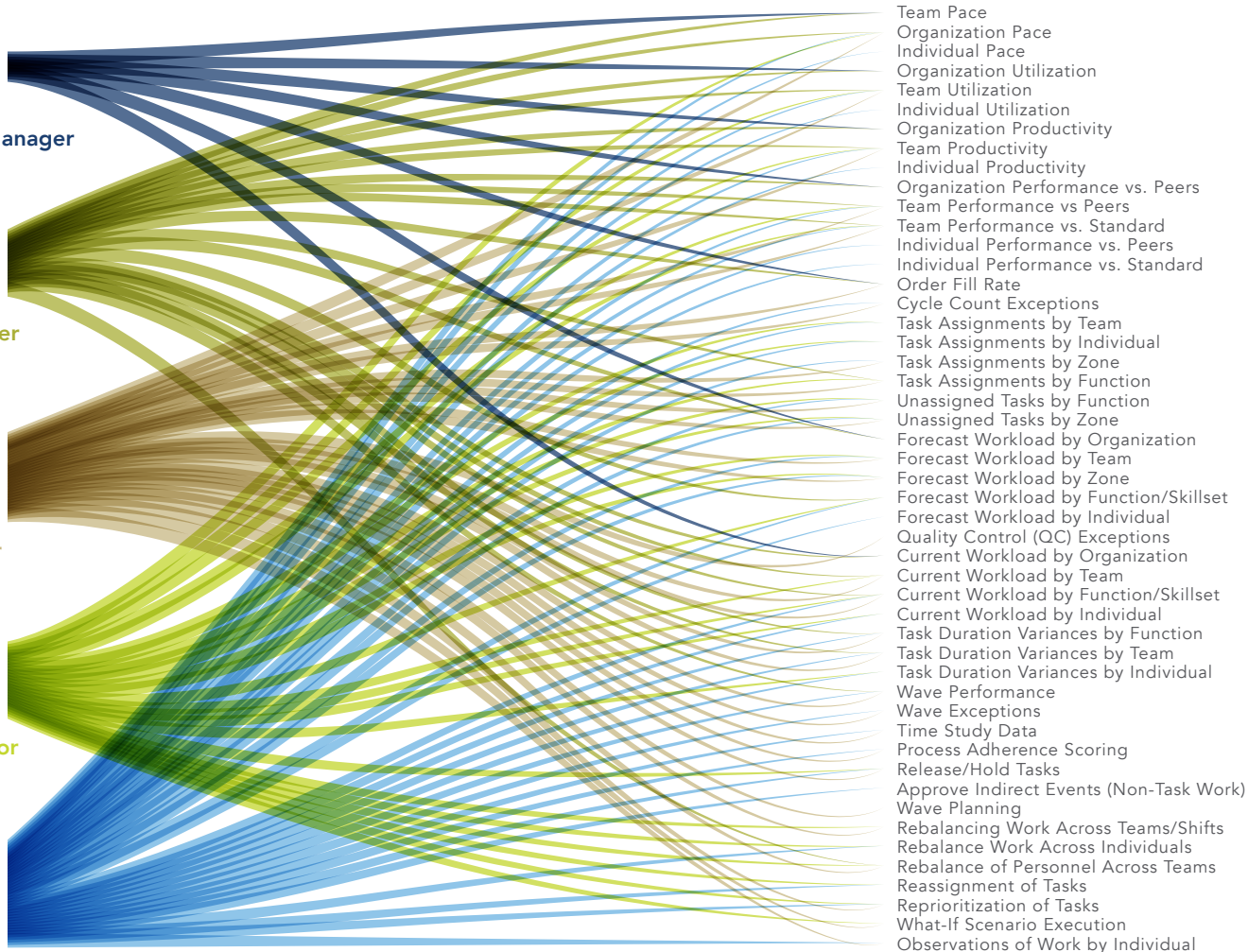
Area Manager



Shift Supervisor



Team Lead



Passive

Active





Here's the net-net.

Mobile solutions for distribution managers can provide game-changing access to real-time information about people and work in the warehouse, allowing them to systematically record active interactions with associates, including tracking and measuring employee performance. At the same time, mobile distribution management solutions accurately reflect work in the warehouse by wave, job function and task/activity, allowing managers to better monitor, plan and forecast work on a real-time basis for improved outcomes.

Ready to go mobile?

For an **onsite assessment of your DC management approach** or a **demo** of how mobile can make your warehouse operations more productive, contact your Manhattan Associates representative today, via email at info@manh.com or call 1.877.596.9208.

About Manhattan Associates

Manhattan Associates makes commerce-ready supply chains that bring all points of commerce together so you're ready to sell and ready to execute. Across the store, through your network or from your fulfillment center, we design, build and deliver market-leading solutions that support both top-line growth and bottom-line profitability. By converging front-end sales with back-end supply chain execution, our software, platform technology and unmatched experience help our customers get commerce ready—and ready to reap the rewards of the omni-channel marketplace.





